

Fact Sheet

Module 2: Wage and Tip Income

Wage and salary income is compensation received by employees for services performed.

Tips are money and goods received by food servers, baggage handlers, hairdressers, and others as a gratuity for services performed.

Employers report wage, salary, and tip income on Form W-2, Wage and Tax Statement.

Employees use Form W-2 to complete their individual income tax returns.

All wage, salary, and tip income is taxable, even if it does not appear on Form W-2.

a Control number		22222		Void <input type="checkbox"/>		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number				1 Wages, tips, other compensation \$17,253.00		2 Federal income tax withheld \$1,552.00	
c Employer's name, address, and ZIP code The Kitchen Corner Main and Oak Anytown, USA xxxxx				3 Social security wages \$17,253.00		4 Social security tax withheld \$1,069.69	
				5 Medicare wages and tips \$17,253.00		6 Medicare tax withheld \$250.17	
				7 Social security tips \$2,321.00		8 Allocated tips \$	
				9 Advance EIC payment \$		10 Dependent care benefits \$	
d Employee's social security number				11 Nonqualified plans \$		12a See instructions for box 12 \$	
e Employee's first name and initial Brandon R		Last name Cooper		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b \$	
2265 North Central Avenue Anytown, USA xxxxx				14 Other		12c \$	
						12d \$	
f Employee's address and ZIP code				15 State Employer's state ID number		16 State wages, tips, etc. \$	
				17 State income tax \$		18 Local wages, tips, etc. \$	
				19 Local income tax \$		20 Locality name	

Form **W-2** Wage and Tax Statement (99)
Copy A For Social Security Administration—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

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Department of the Treasury—Internal Revenue Service
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